

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Nanci E. Langley, Vice Chairman;
Mark Acton;
Tony Hammond; and
Robert G. Taub

Competitive Product Prices
Bilateral Agreement Between United States Postal
Service and Posten Norge AS (MC2010-34)
Negotiated Service Agreement

Docket No. CP2012-60

NOTICE AND ORDER CONCERNING
ADDITIONAL INBOUND COMPETITIVE MULTI-SERVICE
AGREEMENTS WITH FOREIGN POSTAL OPERATORS 1
NEGOTIATED SERVICE AGREEMENT (NORWAY POST AGREEMENT)

(Issued September 17, 2012)

I. INTRODUCTION

On September 13, 2012, the Postal Service filed a notice, pursuant to 39 CFR 3015.5, stating that it has entered into a modification of an existing bilateral agreement for inbound competitive services with Posten Norge AS (Modified Norway Post

Agreement).¹ The modification extends the original Norway Post Agreement by 18 months (from October 1, 2012 to March 31, 2014). Notice at 1.

The Postal Service seeks to have the Modified Norway Post Agreement included within the Inbound Competitive Multi-Service Agreement with Foreign Postal Operators 1 (MC2012-34) on the competitive product list. *Id.* at 1-2.

II. CONTENTS OF FILING

The Postal Service reviews the regulatory history of the establishment of the Inbound Competitive Multi-Service Agreements with Foreign Operators 1 product and of the original Norway Post Agreement. *Id.* It also describes the Modified Norway Post Agreement, addresses its functional equivalency with the baseline agreement (filed in Docket No. CP2010-95), and identifies differences between the agreements. *Id.* at 3-4. The differences include the length of the agreements, the scope, and controlling law and dispute resolution methods. Specifically, the term of the Modified Norway Post Agreement is 18 months versus 2 years (and automatic renewal) for the baseline agreement. *Id.* at 4. The Modified Norway Post Agreement includes only inbound Air Parcel items, whereas the baseline agreement includes inbound air parcels plus inbound surface parcels and Express Mail Service (EMS). *Id.* In addition, in the Modified Norway Agreement the controlling law and dispute resolution methods are based on German law and arbitration, whereas U.S. Federal law and several dispute resolution options govern the baseline agreement. The Postal Service asserts that these differences do not detract from a finding of functional equivalency. *Id.*

The Notice includes four attachments. Attachment 1 is an application for non-public treatment of unredacted material. Attachment 2 is a redacted copy of the

¹ Notice of United States Postal Service of Filing Additional Functionally Equivalent Agreement, September 13, 2012 (Notice). The existing Norway Post Agreement was the subject of Docket No. CP2011-69.

Governors' Decision No. 10-3.² Attachment 3A is a copy of the Modified Norway Post Agreement; Attachment 3B is a redacted copy of the original (Docket No. CP2011-69) Norway Post Agreement. Attachment 4 is the certified statement required by 39 CFR 3015.5(c)(2).

III. COMMISSION ACTION

Notice of establishment of docket. The Commission establishes Docket No. CP2012-60 for consideration of matters raised by the Notice. The Commission appoints James F. Callow to serve as Public Representative in this docket.

Interested persons may submit comments on whether the Postal Service's filings in the captioned docket are consistent with the policies of 39 U.S.C. 3632, 3633 or 39 CFR part 3015. Comments are due no later than September 24, 2012. The public portions of this filing can be accessed via the Commission's website (<http://www.prc.gov>).

IV. ORDERING PARAGRAPHS

It is ordered:

1. The Commission establishes Docket No. CP2012-60 for consideration of the matters raised in this docket.
2. Pursuant to 39 U.S.C. 505, James F. Callow is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.
3. Comments by interested persons in this proceeding are due no later than September 24, 2012.

² The referenced Governors' Decision establishes prices and classifications for Inbound Competitive Multi-Service Agreements with Foreign Postal Operators, presents Mail Classification Schedule language, and provides price formulas.

4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Ruth Ann Abrams
Acting Secretary